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**Date:** 11/16/2004 12:58:24 PM  
**Subject:** Fringe Benefits Management Company Reimbursement Application

To: Members of the Targeted Business Pilot Program Review Committee

The Targeted Business Pilot Program (TBPP) Review Committee met on November 3, 2004 to consider the Reimbursement Application submitted by Fringe Benefits Management Company (FBMC). In September 2002, the City entered into an agreement with FBMC under the City/County TBPP. Under the terms of the agreement, FBMC agreed to (1) develop their property in a manner that exceeded minimal environmental standards; (2) hire at least 19 new full-time, permanent employees; (3) pay an average salary for the new positions that is at or above the average salary for Leon County; (4) invest over \$5.0 million in construction and equipment costs associated with the development of the property; (5) purchase at least 25 percent of its major supplies from local vendors; and (6) continue to demonstrate good corporate citizenship.

In return for meeting these conditions the City and County agreed to: (1) reimburse FBMC up to 60 percent of eligible development fees previously paid to the City and County, and (2) reimburse FBMC up to 60 percent of ad valorem property taxes assessed by the City and County (the County's reimbursement would be at a rate equal to the City's) against the property for calendar years 2003 through 2008.

Based on the information provided by FBMC in their reimbursement application and staff calculations, staff recommended FBMC receive the following reimbursements of City permit fees, City ad valorem property taxes and County ad valorem property taxes:

City Permit Fees:	\$9,835.91
City Ad Valorem Property Taxes:	\$9,898.30
County Ad Valorem Property Taxes:	\$9,898.30
Total:	\$29,632.51

During the Committee meeting, several members requested additional verification on the number of jobs created by FBMC and the annual salaries of the new jobs. A motion was made by Wade Pitt that the reimbursement application be approved pending (1) receipt of additional documentation on the number of jobs created and the average annual salaries of the new jobs and (2) review and approval of the additional information by Rick McCraw and Gary Herndon. The motion was seconded by Wayne Tedder and passed unanimously.

On November 9th, I received payroll documents from FBMC for March 24, 2002 and October 17, 2004. The payroll documents indicated that the number of employees increased from 235 to 296, an increase of 61 (this number represents total employees at the time, including part-time, employees expected to leave, and new hires). The payrolls also indicated that during this period, wages had increased from \$258,304 to \$352,386, and increase of \$94,082 for the pay period. Assuming the number of employees and the wages remain constant for the year (26 pay periods), the average salary of the 61

employees is \$40,100.52.

I reviewed the payroll information with Gary Herndon on November 16th. Based on this information, as described above, and a statement in the reimbursement application by FBMC that the listed job titles, starting salaries and start dates of the new positions as listed in the reimbursement application are true, we determined that FBMC had met the requirement to create at least 19 new jobs and pay an average salary for the new positions that is at or above the average salary for Leon County.

With this action, the Review Committee review of the FBMC Reimbursement Application is complete. If you have any questions or concerns regarding the payroll information provided by FBMC, please let me know by November 23rd. If I do not hear from any Review Committee members by that date, I will assume that you agree with the findings, and the reimbursement of permit fees and ad valorem property taxes as described above will be approved.

Thank you for your patience and assistance in this effort. Next year the Committee will meet to consider the second year of ad valorem property tax reimbursements, there will be no further reimbursement of permit fees. If you have any questions about the reimbursement or the payroll information provided by FBMC, please call or e-mail me.

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**Targeted Business Pilot Program Business Profile Scoring:  
Fringe Benefits Management Company**

Category	From Original Application		From Reimbursement Application	
	Commitment	Points	Actual	Meets Reqts?
1. Number of New Employees (w/in 3 years)	19	10	22	Yes (10)
2. Annualized Average Salary (More than 20% of new jobs at or above the area average, AND the average salary of new jobs is average to to 25% above average	\$27,143/\$27,364 (6 of 19) 31.60%	10	\$29,548/\$33,340 (14 of 22) 63.60%	Yes (10)
3. Capital Investment	\$5,887,000	15	\$5,114,184	Yes (15)
4. Location -Within Southern Strategy Area -Within Central City Area	No No	0 0		N/A (0) N/A (0)
5. Environmental Sensitivity (for new construction, per GM review)	5 Categories	10	5 Categories	Yes (10)
6. Local Business Promotion -25% of supplies are local -10% of goods and services from certified MBE's -10% of construction contractor from certified MBE's	49.30% No No	5 0 0	56.40%	Yes (5) N/A (0) N/A (0)
7. Good Corporate Citizenship -Supports community charities/community service -Encourages employee volunteerism	Yes Yes	2.5 2.5		Yes (2.5) Yes (2.5)
<b>Total Points</b>		<b>55</b>		<b>55</b>

**Fringe Benefits Management Company:  
Estimated Value of Targeted Business Pilot Program Reimbursements**

City:		
Permit Fees*	\$9,835.91	
Ad Valorem Property Taxes (2003)	\$9,898.30	
Sub-Total (City)		\$19,734.21
County:		
Permit Fees	\$0.00	
Ad Valorem Property Taxes (2003)**	\$9,898.30	
Sub-Total (County)		\$9,898.30
<b>Total</b>		<b>\$29,632.51</b>

\*Determined by CoT/Growth Management

\*\*IAW the TBPP policies, the amount of ad valorem taxes reimbursed by the County is equal to amount reimbursed by the City.